



2005 INCIDENTAL BUSINESS PERMIT INSTRUCTIONS

United States Department of the Interior National Park Service

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(1) What will be the term of this permit?

New permittees will receive a one year permit to provide the opportunity to review their operating procedures.

After a one year probationary period you may apply for a two-year permit.

(2) What is an "Incidental Business Permit (IBP)"?

The IBP is used to authorize *commercial visitor services* that (1) do not use fixed commercial facilities within a National Park unit, (2) the commercial activity originates and terminates outside the park area, (3) no money changes hands on park lands, and (4) no commercial solicitation occurs on park lands. The IBP authorizes a private person, corporation or other entity to provide services to visitors to units of the National Park System.

These authorizations are not concession contracts and are not transferable.

(3) May I apply without having all required documentation such as proof of insurance or Hawaii Certificate of Public Convenience and Necessity?*

YES. If you are in the process of obtaining insurance, a Hawaii Certificate of Public Convenience and Necessity or other required documentation, please send in your completed application and fee payment. Your application will be processed and if approved, the permit will be issued at the time we receive all required documentation. *Certificate applicable to Hawaii based companies.

(4) What is a "Commercial Visitor Service?"

This type of service means accommodations, facilities and services the NPS has determined to be necessary and appropriate for public use and enjoyment of a park area provided to park area visitors for a fee or charge by a person. The fee or charge paid by the visitor may be direct or indirect as part of the provision of comprehensive visitor services.



(5) How do I know if I need this authorization?

You must obtain this authorization if your business will provide a commercial visitor service in national park areas and the service originates and terminates outside of the park unit.

(6) Under what authority can the NPS issue this authorization?

The issuance of Incidental Business Permits is authorized by Section 418 of the National Parks Omnibus Management Act of 1998, Public Law 105-391 and Title 36 of the Code of Federal Regulations 5.3.

(7) Who do I contact if I have questions?

We recommend that you contact the Commercial Services Office at Hawai'i Volcanoes National Park at 808-985-6027 if you have questions relating to the application process.

(8) How will I know which commercial services are generally allowed under an IBP?

Please refer to the table on page three (3) of the Application Form. Although this table lists commercial visitor services that have been determined to be necessary and appropriate, all applications will be subject to a complete review and approval process.

(9) How do I apply?

First read the entire application packet for full details. Applicants must complete the application form in full, include payment, insurance and other applicable documentation and mail it to National Park Service, Commercial Services, P.O. Box 52, Hawaii National Park, HI 96718. Applications will be processed upon receipt and if approved, a permit will be issued after all required documentation has been submitted. Permits are not automatically renewed, applications must reapply each year – a renewal package will be mailed to you.

(10) Is an Hawaii Certificate of Public Convenience and Necessity required?*

A copy of your Hawaii Certificate of Public Convenience and Necessity must be submitted with your application. The State of Hawaii Public Utilities Commission issues the Certificate of Public Convenience and Necessity authorized by provisions of chapter 271, Hawaii Revised Statutes. If you do not have a current Certificate of Public Convenience and Necessity, contact the State of Hawaii Public Utilities Commission, 688 Kinoole Street, Suite 106A, Hilo, HI 96720, Ph: 808-974-4533. ***Certificate required for Hawaii based companies.**

(11) How long does it take to process my application?

The time to process an application can vary. It may take up to **1 month** if your application is incomplete, the fees are not included with your submission, the insurance verification is not received by our office and/or if you are applying for a service that has not been pre-determined to be necessary and appropriate.

(12) What else do I need to do to receive an approved IBP?

--Your fees must be included with your application.

(13) Are there any restrictions to my application?

YES. NPS employees or their resident family members may be NOT be owners, partners, corporate officers or general managers of any business conducting commercial visitor services in a park, nor may NPS



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employees or their resident family members have a financial interest in such a company. All instances of employment by an operator of the SPOUSE or MINOR CHILDREN of an NPS employee must be approved in advanced, in writing by the superintendent or delegated person(s).

(14) What if my business plans change? May I change my authorization?

Yes, you may request an amendment to the approved authorization. Just send us your request in writing giving full details of your proposed activity. If the request includes adding another Park to your authorization, additional fees will be charged. Remember, amendments made to your permit will not extend the term of the permit.

(15) Are there fees involved for an IBP?

YES. The authority for the NPS to recover associated management and administrative costs of IBP's is found in PL 105-18 and 31 U.S.C.9701 and 16 U.S.C. 3a. The Director must charge a reasonable fee for the issuance of an incidental business permit in order to recover associated management and administrative costs. The authority to charge Recreational Use Fees is found in P.L. 105-18. This is a description of the fees and the fee schedules.

Application Fee

Represents the costs incurred by the park service in mailing, distribution and initial review to make sure the information supplied is sufficient to form a decision. This fee is non-refundable, whether or not the authorization is approved. All applicants must pay this fee.

Administrative Fee

This fee is based on costs associated with the administrative process of the decision and the approval of the permit. The Administrative Fee is due at the time the application is submitted and is non-refundable, whether or not the authorization is approved. All applicants must pay this fee

Recreational Use Fee

Funds from this fee are used to reduce identified non-recurring maintenance, infrastructure repair, and to assist resource management. These fees are collected at the entrance stations.

Fee Schedule – 1

Application & Administrative Fees for a 1-Year Permit Issued in 2005

Application Fee	\$100
Administrative Fee	\$50
Combination Permit	<u>\$(50)</u>*
Total	\$150 or \$200*

***Combination permit optional – for companies that provide both road based and non-road based tours.**

Recreational Use Fees

Non-Road Based Guided Tours

\$5.00 per person*

(Commercial groups participating in non-road based activities (hiking, bicycling, etc.)

*** This fee is waived for visitors under age 16 and those in possession of a valid Golden Age, Golden Access or Golden Eagle Passport, or National Park Pass.**



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Road Based Guided Tour (Bus, Van Car)

This fee is based seating capacity of vehicle - see table below

Hawai'i Volcanoes National Park Recreational Use Fee for Road Based Groups

Capacity	User Fee
1-7	\$ 25.00 + \$5.00 per person
7-15 person van	\$75.00
16-25 person mini-bus	\$100.00
26, or more, person bus	\$200.00

(16) Is sub-contracting allowed under the authorization?

The Park Service does not allow subcontracting under this authorization. The park service uses the same criteria used by the IRS (as defined in IRS Publication 15-A) to determine if a representative is an employee or independent contractor. Please contact the NPS for a decision if you are in doubt.

(17) Are annual reports due?

Yes. An annual report that must be submitted each year of the permit with a postmark date of not later than February 27th reporting on the previous years activities.

(18) What type of insurance is required before this authorization can be approved?

The permittee must provide commercial liability insurance against claims arising out of or resulting from the acts or omissions of the permittee or the permittee's employees, agents, or contractors, in carrying out the activities and operations required and/or authorized under the permit. This office must in receipt of verification of insurance coverage before any commercial park operations may take place, to include the second year of the permit.

See page 7 of the Application Form for the minimum amounts of insurance required.

All liability policies must specify that the insurance company will (1) have no right or subrogation against the United States of America AND must (2) provide that the United States of America is named an additional insured.

The NPS may require additional insurance commensurate with the risk involved with your commercial service and the scope and size of the activities. ***IMPORTANT: The name on the certificate of insurance must match your business name, including any names used under "doing business as".*** The certificate can be mailed to the address on this letterhead or faxed directly to Hawai'i Volcanoes National Park at (808) 967-8186. The certificate holder's address must read:

U.S. Government
National Park Service
Commercial Services
P.O. Box 52
Hawaii National Park, HI 96718



This is a descriptive list of the most commonly used types of insurance:

- **Comprehensive General Liability** required for most activities authorized by Incidental business permits, is usually sold as a Guides & Outfitters (G&O) type of policy. Comprehensive general liability insurance is designed to provide broad coverage for liability to other persons. Generally, it covers all liability for personal injuries or property damage caused to other persons, *unless specifically excluded*. **A minimum coverage of \$300,000 is required.**
- **Automobile Liability**: required for all owned, non-owned and hired vehicles, including tour buses used in the operation within the park boundaries.
- **Worker's Compensation:** Permittees with employees must be in compliance with the insurance requirements under the Hawaii Worker's Compensation Act.